

Minutes of the Suffield Retirement Commission
August 14, 2014 – Town Hall – 5:30 p.m.

Members present: Eric Remington, Christine Davidson, Edward McAnaney, Ryan Burrell,
Kate Rietberg, Dan Sheridan Absent: Matt Falkowski, Chris Childs
Also present: HR Director Katherine Christopher
Wells Fargo representatives: Michael Lepore, CIMA, Claire McDonald ,CIMA

Chairman Eric Remington called the meeting to order at 5:30 p.m.

Citizen Comment: None

Minutes: Mr. McAnaney moved to approve the minutes of the May 8, 2014 meeting; Ms. Davidson seconded. The minutes were approved by unanimous vote.

Wells Fargo Report

Q2 Performance – Mr. Lepore distributed copies of the Pension Plan 2Q14 Performance Review to members.

Capital Markets Overview

U.S. Markets - Mr. Lepore noted that it was another positive quarter for equities in the U.S. Market. Both the S&P 500 and the Dow Jones Industrial Average reached new highs during the quarter. He commented on the International Markets, U.S. Treasury and Corporate Debt and Commodities. He further stated the bull market continues to run amidst increased market choppiness.

Employment has been coming down, and the inflation rate is holding steady at 1.5%.

There are two specific catalysts for further growth in the equity market, technology and energy.

Mr. Lepore reviewed in detail the Investment Performance Analysis of the Suffield Pension Plan as of June 30, 2014, noting the current market value and recent returns as documented on page 17 of the 2Q report.

Ms. McDonald reviewed the Gross Performance Summary as documented on pages 15 and 16 of the distributed 2Q report. The transfer of assets was a slow process, but we were fully invested for the quarter. Our return was just over 3.3%, essentially in line with benchmarks on a weighted average basis. We closed June, with just under \$27 million dollars in plan assets. The 2014-2015 Town contribution of \$1.3 million dollars was made very recently. Including the contribution from the Town plan assets are currently \$27.6.
Asset Allocation vs. Target Policy

After a review by Mr. LePore and discussion of the asset allocations vs. the target policy, he stated that Wells Fargo is recommending a rebalancing at this time. He distributed to the Commission, a spreadsheet of the Allocation of Assets as of August 14, 2014. He has marked the assets, to buy, in black and to sell, in red, as recommended and documented by Wells Fargo.

Mr. McAnaney moved that the Retirement Commission approve the reallocation of funds as recommended and documented by Wells Fargo (spreadsheet of recommended reallocations to be attached to the minutes of the meeting). Ms. Davidson seconded. The motion was approved by unanimous vote. Chairman Remington signed the Wells Fargo document, specifying approved reallocations and this was given to Mr. LePore.

Mr. LePore distributed copies of the Town of Suffield, CT OPEB Trust 2Q14 Performance Review prepared by Wells Fargo for the members of the Board of Finance. The copies will be delivered to members at the September 8 Board of Finance meeting.

Mr. Lepore reminded the Commission that Wells Fargo needs to receive the signed copy of Pension Investment Policy. Mr. LePore noted that only the Chairman needs to sign. Mr. Remington stated the signed copy will be sent forthwith.

The Chairman reported that Matt Falkowski has declined to be reappointed to the Commission. Matt has served as member and a past Chairman on the Retirement Commission. The Commission expressed its deep appreciation to Matt for his seventeen years of dedicated and devoted service to the Retirement Commission. The Town of Suffield has been well served.

The meeting was adjourned at 6:15 p.m.

Respectfully submitted, Bobbie C. Kling, Secretary
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Town of Suffield, CT Pension Plan
Allocation of Assets
as of August 14, 2014

<i>Investment</i>	<i>Index</i>	<i>Current Value*</i>	<i>% of Assets</i>	<i>Target Policy</i>	<i>Amount to Buy/</i>	<i>Target Balance</i>
T. Rowe Price Growth Stock	S&P 500	\$1,373,355.59	4.97%	5.20%	\$62,490.37	\$1,435,845.96
Vanguard S&P 500 Index Admiral	S&P 500	\$2,896,987.60	10.49%	10.40%	(\$24,995.68)	\$2,871,991.92
JPMorgan Equity Income R6	Russell 1000 Value	\$1,440,182.67	5.22%	5.20%	(\$4,336.71)	\$1,435,845.96
Voya Mid Cap Opportunities I	Russell Mid Cap Growth	\$652,366.58	2.36%	2.50%	\$37,943.98	\$690,310.56
Vanguard Mid Cap Value Index Admiral	CRSP US Mid Cap Value	\$694,864.50	2.52%	2.50%	(\$4,553.94)	\$690,310.56
Gabelli Small Cap Growth A	Russell 2000	\$2,378,660.08	8.61%	9.00%	\$106,457.92	\$2,485,118.00
Oppenheimer International Growth I	MSCI ACWI World Ex US	\$1,600,881.90	5.80%	6.20%	\$111,088.28	\$1,711,970.18
MFS International Value R5	MSCI EAFE Value	\$1,674,335.21	6.06%	6.20%	\$37,634.97	\$1,711,970.18
Delaware Emerging Markets Instl	MSCI Emerging Markets Net	\$1,768,317.82	6.40%	6.00%	(\$111,572.48)	\$1,656,745.34
Mesirow Intermediate Government/Credit	Bardays Capital Int Govt/Credit	\$6,007,936.72	21.76%	22.80%	\$287,895.56	\$6,295,832.28
BlackRock High Yield Bond Instl	Bardays US Corporate High Yield 2% Issuer Cap	\$804,861.34	2.91%	3.00%	\$23,511.33	\$828,372.67
Templeton Global Bond R6	Citigroup World Government Bond Index	\$543,090.23	1.97%	2.00%	\$9,158.22	\$552,248.45
MFS Emerging Market Debt I	JPMorgan EMBI Global	\$555,929.54	2.01%	2.00%	(\$3,681.09)	\$552,248.45
PIMCO Commodity Real Return Strategy Instl	Dow Jones UBS Commodity Index	\$514,871.87	1.86%	2.00%	\$37,376.58	\$552,248.45
Fidelity Advisor Materials I	MSCI IMI Materials 25/50	\$272,786.39	0.99%	1.00%	\$3,337.83	\$276,124.22
Vanguard REIT Index Admiral	MSCI US REIT	\$848,774.90	3.07%	3.00%	(\$20,402.23)	\$828,372.67
Prudential Guaranteed Deposit Fund**	Citigroup 3 Month T Bill	\$3,584,519.33	12.89%	11.00%	(\$547,152.88)	\$3,037,366.45
		\$27,612,422.27	100.00%	100.00%	(\$0.00)	\$27,612,422.27

Approved By _____

Date _____

*The market value for the Wells Fargo Advisors and Prudential accounts are as of 8/13/2014.

**A contribution in the amount of \$1,292,936.00 was deposited into the Prudential Guaranteed Deposit Fund on August 12, 2014.

**Until the Van Eck Global 11ard Assets Y fund is added to the Prudential platform, the 1% allocation will be held in the Prudential Guaranteed Deposit Fund.